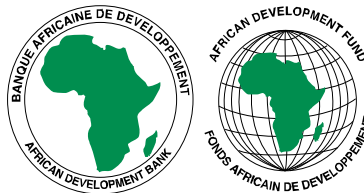


AFRICAN DEVELOPMENT BANK GROUP



Independent Evaluation Policy

The African Development Bank Group

Independent Development Evaluation (IDEV)

July 2016



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Independent Evaluation Policy at the African Development Bank



1. Introduction

Evaluation at the African Development Bank is led by Independent Development Evaluation (IDEV), which evaluates the Bank Group's performance and the merit, worth, and pertinence of its development initiatives in regional member countries.

Independence adds value to all evaluation products and processes. It protects the integrity of evaluation studies by enhancing credibility and opening diverse perspectives on policies, programs, and projects. Independent evaluation also attests to the quality of self-evaluation products and processes. It facilitates the timely adaptation of corporate management processes through reliable feedback and organizational learning mechanisms.

A strong independent evaluation function is thus critical to the Bank Group's development effectiveness. As the Bank Group adapts to external changes, its evaluation function must also evolve. Accordingly, and to keep up with good evaluation

practices, this document supersedes the policy paper endorsed by the Committee on Operations and Development Effectiveness (CODE) dated March 23, 2007.

1.1. Evolution of the evaluation function

Evaluation at the Bank dates back to 1977, though the first evaluation unit was not established until 1980, when a special division was created within the Research and Planning Department. This division became a free-standing evaluation office in 1987 attached to the President and was upgraded to the status of a department in 1995. In 1993 the oversight responsibility for evaluation was shifted to the Board of Directors under the General Audit Committee and later placed under the oversight of the Committee on Operations and Development Effectiveness created in 1996. In 2002 the department's mandate was further clarified by a Presidential directive. In 2007 the Board approved the first independent evaluation policy and the evaluation department's functional responsibilities. Box 1 lists the key milestones in the evolution of the Bank's evaluation function.

Box 1. A short history of evaluation at the Bank

1980 - First evaluation unit set up.

1987 - Unit becomes the Operations Evaluation Office, reporting to the President.

1993 - The Board of Directors assumes oversight of the evaluation function through the General Audit Committee.

1995 - The Operations, Evaluation Office is upgraded to a department.

1996 - The Operations Evaluation Department is placed under the umbrella of the newly created Committee on Operations and Development Effectiveness.

2002 - The function of the Operations Evaluation Department is reviewed, and a Presidential Directive defining the department's mandate is issued.

2007 - The Board of Directors approves the independent evaluation policy and functional responsibilities of the Evaluation Department.

1.2. The revised policy

This document presents the revised Independent Evaluation Policy of the Bank Group and replaces the 2007 Independent Evaluation Policy and Functional Responsibilities of OPEV.¹ It draws on the findings of a self-assessment of independent evaluation at the Bank.²

The objective of the new policy is to provide an updated and comprehensive governance framework for the independent evaluation function. It takes into account the Bank Group's core priorities as defined in the Ten Year Strategy, evolving evaluation practices at other multilateral development banks and in the development evaluation community, and greater ownership of the development process and the intensified focus on results demonstrated by regional member countries.

The new policy is in line with internationally accepted standards, including the Development Assistance Committee's Principles for Evaluation of Development Assistance³ and the Good Practice Standards issued by the Evaluation Cooperation Group.⁴

The policy will be implemented through a concurrently formulated medium-term evaluation strategy and associated three-year rolling work program.

Section two of this policy sets out the mission and core objectives of the independent evaluation function, and section three details its guiding principles. Section four provides details on the governance, oversight and management which ensure that the principles can be applied in practice, including (i) the crucial role of the Board of Directors; (ii) the relationship between IDEV and the President; (iii) the role of the independent evaluation function and the Evaluator General; and (iv) the role of Bank management in independent evaluation. Details on implementation are outlined in section five.

2. Mission and core objectives

The overarching mission of the independent evaluation function is to enhance the development effectiveness of the Bank Group through independent evaluations, oversight of self-evaluation processes and products, and proactive engagement in evaluation partnerships and knowledge-sharing activities.

To support the Bank Group in achieving greater development effectiveness, the independent evaluation function has adopted three core objectives:

- Contribute to enhanced learning in the Bank and regional member countries to improve current and future policies, strategies, programs, projects, and processes.
- Provide a basis for accountability to the public and to member countries by documenting the use and results of the Bank Group's assistance.
- Promote an evaluation culture in the Bank and regional member countries to encourage a focus on development results, learning, and continuous quality improvement.

3. Guiding principles

The four guiding principles for the independent evaluation function at the Bank are (i) independence; (ii) credibility, impartiality, and transparency; (iii) usefulness; and (iv) partnership. These principles are in line with internationally accepted guidelines for evaluating development assistance, including the Development Assistance Committee's Principles for Evaluation of Development Assistance and the Good Practice Standards of the Evaluation Cooperation Group. This section discusses the principles in general terms, while sections four and five elaborate on their practical implementation.

3.1. Independence

Independence provides legitimacy, minimizes bias, protects from potential and perceived conflicts of interest, and allows evaluators to access relevant information so that they can generate objective

¹ See Document ADB/BD/WP/2007/28 - ADF/BD/WP/2007/21.

² Self-Assessment of the African Development Bank's Independent Evaluation Function, July 2012.

³ OECD-DAC Principles for Evaluation of Development Assistance, OECD, Paris 1998.

⁴ www.ecgnet.org.

findings and issue relevant recommendations without fear or favor.

Independence does not mean isolation as both operations and evaluation are enriched through cross-fertilization of knowledge and experience. However, independence does not mean autonomy either as IDEV operates in accordance with Bank rules, regulations and processes. The importance of independence is now also recognized in the name of the department which has changed from Operations Evaluation (OPEV) to Independent Development Evaluation (IDEV).

This policy recognizes four dimensions of evaluation independence. It also provides details on how these different dimensions of independence are taken into account in the management processes of IDEV.

Organizational independence

Organizational independence ensures that evaluation staff are not controlled or influenced by the decision-makers responsible for the activities being evaluated. Within ethical and legal constraints, organizational independence also provides evaluators timely and unencumbered access to the information they need to fulfill their mandate.

IDEV is located outside the line functions that it is tasked to evaluate and reports to the Board of Directors through CODE.

Behavioral independence

Behavioral independence highlights the capacity and willingness of IDEV to design its work program, to produce high-quality and uncompromising reports, and to disclose its findings to the Boards of Directors and the public without management-imposed restrictions.

The Evaluator General is authorized to design the IDEV work program and budget proposals for review by CODE, prior to approval by the Board of Directors.

The Evaluator General is protected from management pressure and influence because the Board of Directors

leads his/her selection, appointment, and removal. In turn, the Evaluator General takes full responsibility for personnel management within IDEV, in accordance with Bank rules, regulations and procedures, and protects IDEV staff from internal and external pressure, intimidation, and retribution.

Freedom from outside influence and pressure

Freedom from outside influence and pressure keeps the independent evaluation function free to set its own priorities, design its processes, craft its products, reach its judgments, and administer its human and budget resources without intrusion by management.

The Evaluator General decides on the design, conduct, and content of evaluations. The Evaluator General is responsible for managing personnel within a merit- and performance -based system, in accordance with Bank rules, regulations and procedures.

Avoidance of conflicts of interest

Avoiding conflicts of interest ensures that current, immediate future, and prior professional and personal relationships and considerations do not influence evaluators' judgments or create the appearance of a lack of objectivity.

The Evaluator General is tasked with ensuring that no actual or perceived conflict of interest arises in evaluations and the composition of evaluation teams and that staff are withdrawn from an evaluation should an unintended and unexpected conflict of interest arise. Annex 1 provides details of the rules relating to conflict of interest for the Evaluator General and IDEV staff.

3.2. Credibility, impartiality, and transparency

Credibility, impartiality, and transparency are closely related and mutually reinforcing.

Credibility

To be credible, evaluations are conducted according to good practices and quality standards⁵ and grounded in relevant and reliable evidence. Recommendations are well substantiated, taking due account of stakeholder

⁵ Including the 2010 Development Assistance Committee Quality Standards for Development Evaluation and the ECG Good Practice Standards.

views, in particular Bank management and staff and regional member country officials. Consultations with stakeholders on initial findings and draft reports are conducted, and factual errors amended. Brief dissenting footnotes or annexes may be included in final reports.

Impartiality

IDEV follows internationally accepted evaluation methods, practices, and ethical guidelines in all its activities. Evaluators are not influenced by their personal opinions or external pressure and avoid bias in identifying findings, conducting analyses, and reaching conclusions. Evaluations provide a fair and balanced presentation of strengths and weaknesses.

Transparency

The evaluation process is predictable and verifiable. It is cogently described in an approach paper or concept note and provides for consultation with stakeholders at various stages.

Approach papers and evaluation reports follow good practice and quality standards. They are presented in a user-friendly manner that facilitates understanding by diverse stakeholders and potential audiences.

Clarifications of evaluation recommendations and follow-up actions are provided to management as needed during the preparation of the management action record, which is designed to track implementation of agreed recommendations. Evaluation reports are considered by CODE together with the management response.

To facilitate transparency, final approach papers, evaluation reports, and other related final documents are disclosed to the public without undue delays. In line with the principle of transparency, IDEV discloses other documentation in accordance with the Bank Group's Disclosure and Access to Information Policy.

3.3. Usefulness

The usefulness of evaluations is measured by the extent to which they can inform, affect or influence policies, products, strategies, and decision-makers within the Bank and in regional member countries. IDEV's work program is informed by consultations with stakeholders within and outside the Bank and

focuses on issues relevant to development effectiveness. Evaluations are clear and concise and aim at relevance, responsiveness, timeliness, quality, clarity of findings, and feasibility of recommendations. The evaluation process ensures principled engagement with stakeholders to increase evaluation awareness and learning and to promote evaluative thinking. Evaluations cover relevant topics and challenges for the Bank Group including cross cutting issues.

3.4. Partnership

In line with the Busan Partnership for Effective Development Cooperation, and to the extent possible, IDEV collaborates with stakeholders in regional member countries and other development partners in the implementation of its work program.

IDEV is mandated to support the development of evaluation systems in regional member countries and at the regional level, based on demand from stakeholders and taking into account any evaluation capacity-building initiatives including those conducted by the Bank. IDEV considers, to the extent feasible, partnering with evaluation units in regional member countries in undertaking evaluations.

IDEV engages with relevant evaluation networks such as the Development Assistance Committee Evaluation Network and the Evaluation Cooperation Group, evaluation associations, and other networks. Such collaboration seeks to learn from partners' proven evaluation approaches and aims to better harmonize evaluation objectives, procedures, and practices and to identify and undertake joint evaluations in a cost-effective way.

4. Management and Oversight

4.1. Board of Directors and Committee on Operations and Development Effectiveness

The Board of Directors oversees and holds accountable, the independent evaluation function through CODE. It is responsible for safeguarding the independence of the evaluation function in the Bank and for providing oversight and guidance to IDEV. The key functions of CODE, on behalf of the Board, are listed below.

- Review IDEV's evaluation reports and management's responses to identify general policy or strategic issues for consideration by the Board of Directors.
- Review and advise the Board of Directors on the adequacy of the Bank Group's independent evaluation, self-evaluation, and other evaluation activities; including through consideration of IDEV's reporting on its own deliverables and achievements.
- Ensure that the lessons from evaluation activities are reflected in the Bank Group's policies and procedures as well as in its projects and programs and that these lessons are further transmitted to borrowing countries as experiences in development financing.
- Monitor the implementation of evaluation recommendations.
- Support IDEV's access to information necessary for evaluation activities.
- Take part in the Board-led selection, appointment, renewal, and removal for cause, of the Evaluator General.
- Endorse the IDEV work program and budget, for approval by the Board of Directors.

The Board of Directors leads the selection, appointment, renewal, and removal for cause, of the Evaluator General. The selection panel is comprised of five members: two CODE members, namely the Chairperson (sitting as chair of the selection panel) and Vice-Chairperson; one other Board member; one representative of senior management (the Vice-President responsible for Human Resources) and one international evaluation expert.⁶ The chair of the selection panel, with the support of the Vice-President responsible for Human Resources, retains a recruitment firm. The panel discusses and agrees on the terms of reference for the Evaluator General as well as the terms of reference for the recruitment firm. The firm provides a shortlist of candidates to the panel, with clear justifications. The panel conducts interviews, with the support of the Bank's Human Resource management function. The panel proposes up to two final candidates; the President has the option

to meet with the finalist(s). The selection panel, in consultation with the President, determines the agreed-upon candidate. Together with the chair of the selection panel, the President proposes the agreed candidate to the Board of Directors for confirmation. Following the confirmation, the President makes the announcement of the new appointment. The Evaluator General is a member of Bank staff.

The Evaluator General is appointed for a five year term, renewable only once. The decision to renew or terminate the contract of the Evaluator General is taken by the Board of Directors, through CODE, in consultation with the President. Since the Evaluator General is a staff member, only the President can announce the renewal or termination of his/her appointment.

CODE endorses and recommends to the Board of Directors for approval, IDEV's work program and the associated budget. The IDEV budget is ring-fenced. However, it is not delinked from budget changes in the institution as a whole. In the event of significant changes to the Bank's overall budget during the budget year, IDEV's budget may be revised by no more than the average proportion for the overall budget of the Bank, unless explicitly authorized by the Board of Directors. The Evaluator General discusses any revisions to the work program resulting from budget changes with CODE.

In place of standard Bank performance appraisal, the Evaluator General presents to CODE, copied to the President, an account of activities and achievements during the year.

The annual salary change of the Evaluator General is based on the average change for all staff members of similar grade to the Evaluator General in any given year.

4.2 Relationship between IDEV and the President's office

IDEV and the Evaluator General report to the Board of Directors via CODE. IDEV is linked to the President's office for administrative purposes only,

⁶ This is consistent with CODE's recommendations made on October 29, 2013.

given that the Evaluator General and IDEV staff are staff members of the Bank. Specifically:

- IDEV and IDEV staff are subject to the same human resource, financial management, travel and ethical standards as the rest of the Bank. Thus, they enjoy the same benefits and access to the same recourse mechanisms and other procedures, as all other Bank staff.
- IDEV is bound by the same rules and regulations of the Bank, including for financial management, procurement and audit.
- The Evaluator General is regularly invited to senior management meetings such as Senior Management Coordination Committee (SMCC), and the Operations Committee (OPSCOM), to ensure inclusion of the independent evaluation function, and support feedback of evaluation knowledge.
- For administrative purposes the Evaluator General's leave is approved in the system by the President. Details and reporting of mission travel are provided by the Evaluator General to the President, in line with existing administrative processes and for administrative clearance in the system. The Evaluator General abides by the same travel rules as the rest of the Bank.

4.3. Role of the independent evaluation function and the Evaluator General

IDEV is exclusively responsible for the independent evaluation function in the Bank and reports to the Board of Directors through CODE. The four main functions of IDEV are:

- Assessing the development effectiveness of Bank Group policies, strategies, and operations (covering all forms of assistance) and any process, procedure, activity, or institutional/corporate aspect that has a bearing on the Group and the development effectiveness of Bank Group assistance.
- Facilitating the feedback of lessons from assessments to improve efficiency and effectiveness of future programs and projects and enhance their development impact.
- Assessing and helping to improve management's self-evaluation processes and products and reporting to the Board of Directors on progress.

- Assisting regional member countries in strengthening monitoring and evaluation capacity and systems.

The main functions of the Evaluator General are:

- Providing overall leadership in supervising and guiding IDEV's management team.
- Preparing, presenting, and implementing IDEV's work program and budget.
- Ensuring sound human resource and financial management, in accordance with Bank rules, regulations and procedures and with the support of the human resource and financial management functions of the Bank.
- Delivering high-quality evaluations in a cost-efficient and timely manner to maximize usefulness.
- Validating the progress reported by management in implementing evaluation recommendations.
- Engaging with the Bank, regional member countries, and the international evaluation community.
- Reporting on IDEV's performance, including through an annual document, presented to the Board through CODE, summarizing IDEV activities and achievements.
- Disseminating evaluation findings, lessons and recommendations.
- Representing IDEV in senior forums such as the SMCC and PEX.

The authority to select programs, policies, or themes for evaluation and to formulate the work program rests with the Evaluator General, after consulting with management and under the oversight of CODE, on behalf of the Board. The work program is publicly disclosed.

The Evaluator General has the final authority in relation to independent evaluations for their process, methodology, content, and recommendations; their approval; and their issuance to management and the Board of Directors. Following Board of Directors' endorsement through the CODE discussion, IDEV posts on the web and otherwise disseminates final evaluation reports, and can also make available appropriate supporting documents and other finalized

evaluation-related materials, to be shared with stakeholders and the public.

The Evaluator General manages IDEV's human and financial resources in accordance with the Bank's rules and procedures. The Evaluator General, in accordance with the Bank's Staff Regulations and Staff Rules and administrative processes and working with the responsible organizational units of the Bank, is responsible for the recruitment and management of IDEV personnel.

IDEV staff are subject to the same terms and conditions of service generally applicable to Bank staff, including regular performance appraisals according to Bank-wide standards and merit-based selection on a competitive basis. The transfer of IDEV staff to other departments is governed by Bank-wide regulations, rules and policies.

4.4. Role of Bank management in independent evaluation

Management supports the independent evaluation function in several ways:

- Providing suggestions for IDEV's work program.
- Ensuring timely and full access to information needed for evaluations.
- Providing sufficient engagement during the evaluation process.
- Facilitating staff missions.
- Reviewing and commenting in a timely manner on draft evaluation reports.
- Incorporating relevant evaluation lessons into future operations.
- Preparing, on a timely basis, self-evaluations which underpin the independent evaluation function.

- Providing a formal management responses to all evaluations discussed at CODE; implementing agreed recommendations and providing information on progress in their implementation.

To promote a stronger evaluative culture in the Bank, management:

- Ensures that logical frameworks for all projects and programs include indicators on development results outcomes and impact and adequately resourced mechanisms to measure, monitor, and report on development results indicators after project or program completion and to enable preparation of sound post-completion assessments.
- Strengthens the evaluability assessment under the readiness review to confirm that projects and programs are evaluable.
- With IDEV support, sets up a management action review mechanism to track management actions on agreed evaluation recommendations.

5. Implementation

The Evaluator General is responsible for implementing, monitoring, and reporting to the Board of Directors through CODE, progress on the Independent Evaluation Policy.

Implementation of the Independent Evaluation Policy is guided by an IDEV strategy and a three-year rolling work program and budget approved by the Board of Directors. These documents detail how the policy is implemented and specify related mechanisms, products and measures including performance indicators.

This policy may be reviewed and revised after five years, or as needed.

Annex 1. Minimizing conflict of interest for IDEV staff

The Bank's Code of Conduct for staff members protects Bank staff against official, professional, financial, and family circumstances that may compromise the integrity and impartiality of evaluations. But it does not specifically address the actual or potential conflicts of interest that Bank evaluation staff and consultants may face in the design, or execution of programs and projects they evaluate.

IDEV evaluation staff and consultants withdraw (recuse) themselves from evaluating:

- Any project, program, or activity that they worked on or had line responsibility for the work on, including preparation, appraisal, supervision, and completion reporting, or that they had a personal influence over, in a previous capacity either in the Bank or prior to joining the Bank.
- An entity that they had substantial decision-making, financial management, or approval responsibility for or personal influence or financial stake in prior to joining the Bank or in which their future employment is a significant possibility.

If a former Bank staff member is being considered for a consulting assignment in an evaluation, IDEV management and staff exercise particular care to ensure that the concerned person was not personally involved, directly or indirectly, in the subject of the evaluation during his or her past service as a staff member of the Bank.

The Evaluator General, is not eligible to perform any remunerated services for the Bank whether as staff, consultant, or in any other remunerated capacity after leaving IDEV and is not entitled to apply under staff mobility regulations and rules for any position in other units of the Bank. This restriction does not apply to other IDEV staff.

The Evaluator General and other IDEV staff withdraw themselves from supervising any aspect of evaluation work on any project, program, activity, or entity that they were associated with in a previous capacity or are expected to be associated with in a future capacity. Such supervision, including planning, quality control, providing guidance to others, and review and approval of evaluation reports, is fully delegated to other members of IDEV.

Any such withdrawal by an IDEV staff is clearly noted in the evaluation report as a footnote. The evaluation report includes an affirmation that to the knowledge of IDEV management, the guidelines to avoid conflicts of interest in independent evaluations have been followed.

The Evaluator General and IDEV staff are responsible for exercising sound professional ethics and personal good judgment in applying these criteria.